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ABSTRACT

This document summarizes the requirements and guidelines for the Health Careers Opportunity Program (HCOP). This program is authorized by Section 787 of the Public Health Service Act to make grants to and contracts with postsecondary institutions to carry out programs which assist individuals from disadvantaged backgrounds to enter and graduate from health and allied health profession schools. Eligible institutions include schools of allopathic medicine, osteopathic medicine, public health, dentistry, veterinary medicine, optometry, pharmacy, allied health, chiropractic and podiatric medicine, and public and nonprofit private schools that offer graduate programs in clinical psychology. Of the funds appropriated, 20% must be obligated for stipends to disadvantaged individuals of exceptional financial need, 10% for community-based programs, and 70% for grants or contracts to institutions of higher education. This document describes eligible applicants, eligible professions, eligible student participants, definitions, HCOP purposes, funding priorities and preferences, administration, deadlines, grant start dates, review process and criteria, types of applications, program director/project director responsibilities, use of grant funds, indirect costs, method of payment, reports, audits, and regulations. (JDD)

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Title VI of the Civil Rights Act of 1964 and 45 CFR, Part 80, state: "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, any projects supported by Health Careers Opportunity Program grants, like every program or activity receiving financial assistance from the Department of Health and Human Services, must be operated in compliance with this law.

Attention is called to the requirements of Section 504 of the Rehabilitation Act of 1973, as amended and 45 CFR, Part 84, which provide that no qualified handicapped individual in the United States shall solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

In accordance with 45 CFR, Part 83 of the DHHS Regulations issued under Sections 704 and 855 of the Public Health Service Act no grant, loan guarantee, or interest subsidy payments under Titles VII or VIII of the Public Health Service Act shall be made to or for the benefit of any entity, and no contract under Titles VII or VIII of Public Health Service Act shall be made with any entity, unless the entity furnishes assurances satisfactory to the Director, Office for Civil Rights, that the entity will not discriminate on the basis of sex in the admission of individuals to its training programs.

Attention is called to the requirements of Title IX and 45 CFR, Part 86 of the Education Amendments of 1972 and in particular to Section 901 of such Act which provide that no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance.

Attention is called to the requirements of Section 401 of the Health Programs Extension Act of 1973, as amended, which provides that no entity which receives any grant, contract, loan guarantee, or interest subsidy under the Public Health Service Act may deny admission or otherwise discriminate against any applicant (including applicants for internships and residencies) for training or study because of the applicant's reluctance or willingness to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to or consistent with the applicant's religious beliefs or moral convictions.

Attention is called to Section 710 of the Public Health Service Act which provides that no contract, grant, cooperative agreement, loan guarantee, or interest subsidy payment may be awarded under Titles VII and VIII to, or for the benefit of, any school, program, or training center if the tuition levels or educational fees at the school, program or training center are higher for certain students solely on the basis that such students are the recipients of traineeships, loans, loan guarantees, service scholarships or interest subsidies from the Federal Government.

In accordance with 45 CFR, Part 91, attention is called to the general rule that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

OTHER REQUIREMENTS

Non-delinquency on Federal Debt

The applicant institution must provide a statement of non-delinquency on Federal debt (OMB Circular M-87-32).

Drug-Free Workplace Act of 1988

The applicant institution must comply with the requirements of 45 CFR Part 76, Subpart F, which requires certification that grantees will provide and maintain a drug-free workplace.

Certification Regarding Lobbying and Disclosure of Lobbying Activities

A certification regarding lobbying is required for each grant award action in excess of $100,000 before such action can be taken. (Governmentwide guidance for new restrictions on lobbying was published by the Office of Management and Budget in the Federal Register of December 20, 1989.)

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HEALTH CAREERS OPPORTUNITY PROGRAM (HCOP)

INTRODUCTION

This document is a summation of the requirements and guidelines for the Health Careers Opportunity Program (HCOP). HCOP grants are governed (in order of precedence) by the enabling legislation; program regulations (42 CFR, Part 57 Subpart S) issued under Section 787 of the PHS Act; terms and conditions of the award document; the PHS Grants Administration Manual; and 45 CFR Part 74. The program guidelines contained in this Program Guide are amplified explanations of the requirements in the documents cited. The PHS Grants Policy Statement also is a very helpful document for use in administering a grant supported program. Copies of this document may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The stock number is 017-020-00092-7. It is essential that this Program Guide and all application instructions be read by applicants before completing their application.

Section 787 of the Public Health Service Act, as amended by the Health Professions Reauthorization Act of 1988, Title VI of P.L. 100-607, authorizes the Secretary to make grants to and enter into contracts with schools of allopathic medicine, osteopathic medicine, public health, dentistry, veterinary medicine, optometry, pharmacy, allied health, chiropractic and podiatric medicine, public and nonprofit private schools which offer graduate programs in clinical psychology, and other public or private nonprofit health or educational entities to carry out programs which assist individuals from disadvantaged backgrounds to enter and graduate from health and allied health professions schools.

Of the funds appropriated under this section for any fiscal year, 20 percent shall be obligated for stipends under section 787(a)(2)(F) to disadvantaged individuals of exceptional financial need (as defined by regulations promulgated by the Secretary under section 758) who are students at schools of medicine, osteopathy, or dentistry. Such stipends shall be administered and awarded in the same manner and subject to the same regulations as scholarships under section 758. This component of the legislation is administered by the Division of Student Assistance, Bureau of Health Professions.

Of the amounts appropriated under this section for any fiscal year, 10 percent shall be obligated for community-based programs and 70 percent shall be obligated for grants or contracts to institutions of higher education and not more than 5 percent of such funds may be obligated for grants and contracts having the primary purpose of informing individuals about the existence and general nature of health careers.

The authorizing legislation, Public Law 100-607, requires the Secretary to give priority in funding to the following health and allied health professions schools, beginning in fiscal year 1992: (1) a school which previously received an HCOP grant and increased its first-year enrollment of individuals from disadvantaged backgrounds by at least 20 percent over that enrollment in the base year 1987 by the end of three years from the

date of the award of the HCOP grant; and (2) A school which had not previously received an HCOP grant that increased its first-year enrollment of individuals from disadvantaged backgrounds by at least 20 percent over that enrollment in the base 1987, over any period of time. It also authorizes under section 787(a)(2)(G), the payment of such stipends as the Secretary may approve for HCOP participants for any period of education at any school eligible for an HCOP grant.

This program is listed at 13.822 in the Catalog of Federal Domestic Assistance.

Nursing programs are supported under Section 827 of Title VIII of the Act which provides support for programs for disadvantaged students pursuing nursing education. This component of the legislation is administered by the Division of Nursing, Bureau of Health Professions.

ELIGIBLE APPLICANTS

Health professions schools, schools of allied health, and public or private nonprofit health or educational entities which provide health or educational programs as one of their major functions may apply for grants under Section 787 of the Act. These entities must be located in any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia. Examples of health or educational entities are:

(1) Universities, colleges, and junior colleges;
(2) Governmental (state and local) health or educational agencies; and
(3) Health or educational associations and organizations.

ELIGIBLE PROFESSIONS

Health Professions eligible for support under this program are:

- Allopathic Medicine
- Osteopathic Medicine
- Public Health
- Dentistry
- Veterinary Medicine
- Optometry
- Pharmacy
- Chiropractic
- Podiatric Medicine
- Health Administration
- Clinical Psychology

Allied Health Professions eligible for support under this program include:

Master's Degree
- Biostatistics
- Nutrition
- Social Work
- Speech Pathology/Audiology

Bachelor's Degree
- Biomedical Engineering
- Blood Bank Technology
- Community Health Education
- Corrective Therapy
- Cytogenetics Counseling
- Dental Hygiene
- Dietetics (Coordinated undergraduate program)
- Health Physics
- Health Services Administration
- Medical Illustrating
- Medical Records Administration
- Medical Technology
- Microbiology Technology
- Occupational Therapy
- Physical Therapy
- Primary Care Physician Assisting
- Recreational Therapy
- Rehabilitation Counseling
- Sanitary Sciences (Environmental Health)

Associate Degree
- Clinical Dietetics Technology
- Cytotechnology
- Dental Assisting
- Dental Hygiene
- Dental Laboratory Technology
- EKG/EEG Technology
- Medical Assisting
- Medical Laboratory Technology
- Medical Records
- Occupational Therapy Assistant
- Opthalmic Medical Assisting
- Opthalmic Technology
- Optometric Technology
- Orthopedic Technology
- Physical Therapy Assisting
- Radiologic Technology
- Respiratory Therapy
- Sanitary Sciences Technology
- Surgical Technology

ELIGIBLE STUDENT PARTICIPANTS

All individuals participating in HCOP programs must:

(1) be from disadvantaged backgrounds;
(2) have completed the junior year of high school (or its equivalent); and
(3) be a resident of the United States and either a U.S. citizen, a U.S. National, an alien lawfully admitted for permanent residence in the U.S., a citizen of the Commonwealth of the Northern Mariana Islands, or a citizen of the Trust Territory of the Pacific Islands (TTPI) (consisting of the Republic of Palau), or a citizen of the Republic of the Marshall Islands or the Federated States of Micronesia (both formerely part of the TTPI).

DEFINITIONS

Application means a request for financial support of a project/activity submitted to PHS on specified forms and in accordance with instructions provided by the PHS awarding office. (See "Types of Applications".)

Approved Budget means the financial expenditure plan, including any revisions approved by the awarding unit for a grant-supported project or activity.

Budget Period means the interval of time (usually 12 months) into which the project period is divided for budgetary and funding purposes.

Community-Based Program means a program whose organizational headquarters is located in and which primarily serves: a Metropolitan Statistical Area (MSA), as designated by the Office of Management and Budget; a Bureau of Economic Analysis (BEA), U.S. Department of Commerce designated nonmetropolitan economic area or a county; or Indian tribe(s) as defined in 42CFR36.102(c), i.e., an Indian tribe, band, nation, Rancheria, Pueblo, colony or community, including an Alaska Native Village or regional or village corporation.

Funding Preference means funding of a specific category or group of approved applications ahead of other categories or groups of applications.

Funding Priority means providing favorable adjustment of priority scores of individual approved applications when specific criteria are met. Adjustment is made by a set, predetermined number of points.

Health or educational entity means an organization, agency, or combination thereof, which has the provision of health or educational programs as one of its major functions.

Individual from a disadvantaged background means a person who:

(a) comes from an environment that has inhibited the individual from obtaining the knowledge, skills and abilities required to enroll in and graduate from a health professions school, or from a program providing education or training in an allied health profession; or

(b) comes from a family with an annual income below a level based on low-income thresholds according to family size, published by the

U.S. Bureau of the Census, and adjusted annually for changes in the Consumer Price Index, and by the Secretary for use in health professions programs.

The figures to be used to determine low income eligibility for purposes of Health Careers Opportunity Program grants for Fiscal Year 1991 are:

Size of parents family 1/	Income Level 2/
1	$ 8,300
2	10,800
3	12,800
4	16,400
5	19,400
6 or more	21,800

1/ Includes only dependents listed on Federal income tax forms.
2/ Adjusted gross income for calendar year 1989 rounded to $100.

Institution of higher education means an educational institution in any state or consortium of educational institutions which: 1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate; 2) is legally authorized within such State to provide a program of education beyond secondary education; 3) provides an educational program for which it awards a bachelor's degree or higher, or provides not less than a two year program (or its equivalent) which is acceptable for full credit toward such a degree and/or certification; 4) is a public or other nonprofit institution; and 5) is accredited by a recognized body or bodies approved for such purpose by the Secretary of Education.

Nonprofit, as applied to any private entity, means that no part of the net earnings of such entity accrues or may lawfully accrue to the benefit of any private shareholder or individual.

Notice of Grant Award means the legally binding document that serves as a notification to the recipient and others that a grant has been made, contains or references all terms of the award, and documents the obligation of Federal funds in the DHHS accounting system.

Project Period means the total time for which support of a discretionary project has been programmatically approved. A project period may consist of one or more budget periods. The total project period comprises the original project period and any extensions.

Stipends are payments made to individuals under a fellowship or training grant in accordance with pre-established levels to assist with the individual's living expenses during the period of training.

HCOP PURPOSES

The HCOP is designed to provide assistance to individuals from disadvantaged backgrounds to enter and graduate from health professions and allied health professions schools. Applications must address two or more of the following legislative purposes. It is permissible, however, to request support for only one of the purposes.

Specific legislative purposes for which Health Careers Opportunity Program funds may be awarded are:

PRELIMINARY EDUCATION (PE) - education designed to expand the academic ability and otherwise prepare student participants from disadvantaged backgrounds during their preprofessional training that they may subsequently complete the regular course of education in a health professions school or school of allied health. Such education must be offered prior to entry in a health professions or allied health professions school and may not include courses already taught as part of the regular course of education leading to a degree.

FACILITATE ENTRY (FE) - activities designed to enhance the competitiveness of student participants from disadvantaged backgrounds for admission to health professions schools or schools of allied health, such as improving performance on admissions tests, counseling concerning the application process, and assisting admissions committees in the evaluation of disadvantaged applicants.

RETENTION (RET) - activities designed to help student participants from disadvantaged backgrounds, who have been accepted to or are enrolled in health professions schools or schools of allied health, to complete their education. Such activities may include tutorial assistance, counseling, and assistance in adjusting to the environment of the school. Activities may not include courses already taught as part of the school's curriculum.

RECRUITMENT (REC) - activities designed to identify, recruit and select individuals from disadvantaged backgrounds for education in the health or allied health professions, e.g., motivational activities, distribution of information, exposure to role models, and counseling.

FINANCIAL AID INFORMATION DISSEMINATION (FA) - the distribution of information to student participants from disadvantaged backgrounds about financial aid available in health professions schools, or schools of allied health, or schools and entities which provide training necessary to qualify for enrollment in health professions schools or schools of allied health.

HCOP administrative experience indicates that the legislative purposes most appropriately addressed by applicant institutions or organizations are:

Type of Institution	Purposes REC	PE	FE	RET	FA
Health Professions School	X		X	X	X
Allied Health Professions School	X	X	X	X	X
Undergraduate Institution	X	X	X		X
Non-Educational Institution	X				X

FUNDING PRIORITIES AND PREFERENCES

Application announcements for this grant program published in the Federal Register may specify the use of administrative funding priorities and/or preferences. It is not necessary to request or qualify for a funding priority and/or preference to receive a grant award. However, it is advantageous to an applicant to request consideration for a priority and/or preference if it can meet the designated criteria. If funding priorities and/or preferences are to be applied, the announcement will so state.

In addition, consideration will be given to an equitable geographic distribution of projects, and the assurance that a combination of all funded projects represent the health professions specified in the legislation.

ADMINISTRATION

The Health Careers Opportunity Program is administered by the Division of Disadvantaged Assistance, Bureau of Health Professions, Health Resources and Services Administration (HRSA), Public Health Service. Questions regarding the program should be directed to:

Chief, Program Coordination Branch
Division of Disadvantaged Assistance
Bureau of Health Professions
Health Resources and Services Administration
Parklawn Building, Room 8A-08
5600 Fishers Lane
Rockville, Maryland 20857
(301) 443-4493

Requests for application materials, questions concerning the grants management and business aspects of grants, and requests for approval of changes in grant supported activities should be directed to:

Grants Management Officer (D18)
Bureau of Health Professions
Health Resources and Services Administration
Parklawn Building, Room 8C-26
5600 Fishers Lane
Rockville, Maryland 20857
(301) 443-6857

For information on the completion of the proposal, applicants should refer to the Instruction Sheets for the competitive, "Application for Training Grants," Form PHS 6025-1; for the noncompetitive, "Application for Continuation Training Grants," Form PHS 6025-2; and to their respective supplemental instructions for the Health Careers Opportunity Program grants.

A limitation has been imposed on the number of pages, including appendices, that may be submitted by an applicant for competitive and noncompetitive applications. The maximum for competitive applications is 110 pages and, for noncompetitive, 60 pages. Applications exceeding the page limitations will not be processed, and the Grants Management Branch will notify such applicants that their proposals are not technically sufficient.

DEADLINES

The deadline for submission of applications will be announced in the Federal Register and will be indicated in the letter of transmittal that is included in the application kit.

GRANT START DATE

All competing grant applications should reflect a start date no earlier than the first of September of the calendar year in which the project will begin.

REVIEW PROCESS AND CRITERIA

Competing applications are initially reviewed by non-Federal peer consultants whose recommendations are considered by the National Advisory Council on Health Professions Education, established by section 702 of the Act. After consultation with the National Advisory Council on Health Professions Education, the Secretary will approve projects which best promote the purposes of section 787 of the Act. The Secretary will consider:

1. Relationship of the proposed project to the purposes stated in the legislative authorization encompassing the validity of the stated problem, the particular needs to be addressed, and the relevance of proposed objectives.

2. The number and types (ethnic/racial background; i.e., Black, Hispanic, American Indian or Alaska Native, Asian American or Pacific Islander, and disadvantaged White; sex, if they are in the minority for a specific profession; residential area; and educational level) of individuals who can be expected to benefit from the project, including an assessment of eligibility requirements and student selection criteria.

3. The administrative and managerial ability of the applicant to carry out the project in a cost effective manner considering the extent of past efforts and institutional commitment regarding disadvantaged students.

4. The adequacy of the staff and faculty to carry out the program. Assessment of academic and experiential background and time commitment of key staff and faculty, the nature and level of their involvement, and their experience in working with the proposed target groups.

5. The soundness of the budget for assuring effective utilization of grant funds and the cost effectiveness of the proposed project, assessing compatibility of budget requests with program objectives and activities, the soundness of item justifications, and the extent of the applicant's in-kind contributions.

6. Institutional or organizational plan for phasing in other continuation support (after the end of this Federally funded project period) and achieving self-sufficiency based on a timetable and the level of financial support.

Grants are awarded to approved applicants with projects that will best promote the purposes of the legislation.

TYPES OF APPLICATIONS

New

A competing request for financial or direct assistance for a project or program not currently receiving PHS financial assistance.

Competing Continuation

A competing request for financial or direct assistance to extend for one or more additional budget periods a project period that would otherwise expire. (Competing continuation applications compete with other competing continuation, competing supplemental and new applications for funds).

Administrative Supplemental

A noncompeting request for an increase in support during a current budget period for administrative increases to meet institution-wide increased costs, such as those associated with salary or fringe benefit increases, that take effect during a current budget period, and which were not included in the grant application for that period, are noncompeting and are subject to PHS awarding office approval and the availability of funds. The supplemental amount, if awarded, becomes part of the approved budget for the applicable budget period. Requests for supplemental funds to meet increased administrative costs for subsequent years should be included in applications for continuation support.

Expansion Supplemental

A competing request for an increase in support during a current project period for expansion of a project's or program's scope are treated as "new" applications and will be evaluated and compete for funds with new and competing applications.

Noncompeting Continuation

A noncompeting request for financial or direct assistance for a second or subsequent budget period within a previously approved project period.

PROGRAM DIRECTOR/PROJECT DIRECTOR

An individual designated by the recipient to direct the project or program being supported by the grant. He or she is responsible and accountable to recipient organization's officials for the proper conduct of the project or program. The recipient is, in turn, legally responsible and accountable to the PHS for performance and financial aspects of the grant-supported activity. Whenever there is to be a significant change in the level of participation in the approved project by the project director or program director, as named on the Notice of Grant Award (NGA), or other key people identified in the NGA or on the application, the grantee is required to notify the PHS awarding office in writing as soon as such information is known, but no later than 30 days before the expected date of departure or change in participation level.

GRANT AWARDS

All applicants are notified in writing of the actions taken on their applications. If an application is approved and funded, a NGA is issued. This document sets forth the beginning and ending dates of the project period, the total amount of the award for the first budget period, the amounts approved for each budget category, and the amount of support recommended for each year remaining in the project period. (See the PHS Grants Policy Statement.)

USE OF GRANT FUNDS

Grant funds must be used solely for the purposes described in the approved application. See the PHS Grants Policy Statement for the policy on rebudgeting.

Purposes For Which Grant Funds May Be Expended

Grant funds may be used for personnel; consultants; equipment; supplies; domestic staff and faculty travel, including per diem; trainee stipends and travel costs; and "other" costs, as approved. Clarification is provided on the following specific items:

Stipends. Stipends not to exceed $20 per day for student participants of summer programs may be awarded only to individuals from a disadvantaged background to induce participation and provide support needed in order to participate in the Health Careers Opportunity Program. Students receiving stipends in summer programs may receive such support for not more than eight weeks per budget period. Stipends may be awarded when a determination has been made that:

(a) the educational assistance is offered at a time when the individual would not be at the training site anyway as a student in a regular course of education leading to an undergraduate degree or a degree in the health or allied health professions,

(b) in order to participate in the Health Careers Opportunity Program support is needed by the individual, and

(c) no other Federal financial assistance program is authorized to provide this support.

It is the responsibility of the grantee to document the basis for grant expenditures related to trainee stipends.

Stipend levels for predoctoral students eligible to receive traineeships for participation in postbaccalaureate programs that meet specific HCOP requirements shall not exceed $6,552 per year.

Student Travel. Student participant travel support may be provided for field trips and one round trip per participant between the place of residence and the training site, provided that conditions (a), (b) and (c) under "Stipends" are met. Grant funds are not to be used for commuting or interview trips to health and allied health professions schools. The transportation cost allowance should comply with respective institutional or organizational policy. If the grantee has not established such policy, the current Federal Government rate should be applied. The grantee must document the basis for providing grant support of trainee travel expenditures.

Staff Travel. Allowable as a direct cost where such travel will provide direct benefit to the project. According to the organization's established travel policy, such costs for employees working on the grant-supported project may include associated per diem or subsistence allowances and other travel related expenses such as mileage allowances if travel is by personal automobile. If the recipient organization has no formal travel policy, DHHS travel regulations, including maximum per diem and subsistence rates prescribed in those regulations, shall be used to determine the amount for travel costs.

Purposes For Which Grant Funds May Not Be Expended

HCOP grant funds may not be used for: tuition or fees (including test taking fees for students to enter health or allied health professions schools); entertainment (including the cost of amusements, social activities, and related incidental costs such as meals, beverages, lodging, and transportation); retraining of health professionals; training of faculty and staff; dependency allowances; construction of facilities; acquisition of land; or fund raising.

Grant funds may not be used for staff travel to attend HCOP orientation/technical assistance conferences.

Grant funds may not be used to support courses that are offered as part of the regular academic curriculum. However, funds may be used to support courses that have been modified or tailored to meet the specific needs of program participants.

Grant funds may not be used to support tutoring at the pre-professional level.

Grant funds may not be used for sectarian instruction or for any religious purpose.

In addition, the following activities are considered to be beyond the scope of HCOP support:

Demonstration projects, pilot projects, planning projects, feasibility studies, or activities of a similar nature;

Research activities in preparation for careers in research or academia;

Instruction/review for standardized tests in preparation for licensure/certification.

Preceptorship activities (e.g., internships, externships, residencies);

Educational and other activities at the undergraduate level designed to assist students to meet the minimum GPA requirements of the undergraduate institution;

Remedial courses; and

Faculty support for full-time coursework during the academic year.

For more detailed information, refer to "Costs" in the PHS Grants Policy Statement.

INDIRECT COSTS

These are costs that are incurred for common or joint objectives, and which therefore cannot be identified specifically with a particular project or program. Indirect costs under all training grants other than those awarded to State or local government agencies will be reimbursed at eight percent of total allowable direct costs exclusive of tuition and related fees and expenditures for equipment, or at the actual indirect cost rate, whichever results in a lesser dollar amount. This limitation also applies to training funds provided under subgrants to organizations other than State or local government agencies. State and local government agencies will receive reimbursement at their full indirect cost rate for training grants.

METHOD OF PAYMENT

Grantees having other awards from DHHS which are being paid under a letter-of-credit or monthly cash request payment system will receive payments for this program through that system. Questions concerning the method of payment should be directed to the individual designated as the Financial Management Official, or payee, on the "Notice of Grant Award."

If necessary, the payee may contact:

Department of Health and Human Services
Federal Assistance Financing Branch
P.O. Box 6021
Rockville, Maryland 20857
Telephone: (301) 443-1660

REPORTS

A Progress Report must be submitted annually, with the continuation application. The purpose of this report is to identify and quantify progress made each year. A "Progress Report Outline", prepared by the Division of Disadvantaged Assistance, is included in the "SUPPLEMENT to

Instructions for Preparing a Continuation Application Form PHS 6025-2 (Revised 10/84)" which specifies the minimum information to be submitted and a preferred format.

The Progress Report is used by officials of the Division of Disadvantaged Assistance, BHPr, to evaluate the progress of the project prior to awarding continuation funds. Continuation funds may not be awarded if the required information has not been submitted. Grantees must provide the required quantitative information in the formats described in the Supplemental Instructions. Continuation grants may not be awarded if evidence of satisfactory progress has not been provided.

For grantees completing the last year of their project period, a final report must be submitted. Competing continuation applicants must submit a Progress Report covering the latest competitive segment of the project period for which HCOP funds have most recently been provided.

A Financial Status Report is required within 90 days after the end of each budget period. The report forms will be sent to the grantee before the end of the budget period. Continuation grants may not be awarded if the required financial status reports have not been received. At the completion or termination of a project period, any unobligated funds remaining in the grant account will be recovered by the Federal Government.

AUDIT

In accordance with Section 705(b) of the Public Health Service Act, as amended, the grantee is responsible for a biennial financial audit of its books, accounts, financial records, files, and other papers and property which relate to the disposition or use of the funds received under the grant and all other funds received by or allocated to the project supported by the grant. Each audit must be conducted in accordance with the requirements of the individual or agency which conducts the audit and the GAO Standards for Audit of Governmental Organizations, Programs, Activities and Functions, as provided in OMB Circular A-110. Three (3) copies of the report of this audit must be filed with the Grants Management Officer, Bureau of Health Professions, within 180 days after the end of each biennial period. In addition, a copy of the Audit Report must be submitted to the appropriate DHHS Regional Audit Director. See attached list of DHHS Regional Audit Directors.

ADDITIONAL INFORMATION

For additional information regarding policies governing all Public Health Service training grants, refer to the PHS Grants Policy Statement.

REGION	DHHS REGIONAL AUDIT DIRECTORS*	STATES COVERED
Region I	Mr. Richard J. Ogden Regional Inspector General for Audit Services John F. Kennedy Federal Building Government Center Boston, Massachussetts 02203 (617) 565-2684	Connecticut, Maine, Massachussetts, New Hampshire, Rhode Island, Vermont
Region II	Mr. John Tournour Regional Inspector General for Audit Services Federal Building 26 Federal Plaza Room 3902 New York, New York 10278 (212) 264-4620	New Jersey, New York, Puerto Rico, the Virgin Islands
Region III	Mr. Gervus Rafalko Regional Inspector General for Audit Services 3535 Market Street P.O. Box 13716, Room 4300 Philadelphia, Pennsylvania 19101 (215) 596-6744	Delaware, Maryland, Pennsylvania, Virginia, West Virginia, District of Columbia
Region IV	Mr. Emil Trefzger, Jr. Regional Inspector General for Audit Services Suite 1401 101 Marietta Tower Atlanta, Georgia 30323 (404) 331-6229	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee
Region V	Mr. Martin Stanton Regional Inspector General for Audit Services 105 West Adams Street, 23rd Floor Chicago, Illinois 60603 (312) 353-2618	Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin

* Please note the non-Federal audit consolidation statement on the following page.

REGION	DHHS REGIONAL AUDIT DIRECTORS*	STATES COVERED
Region VI	Mr. Herschell M. James Acting Regional Inspector General for Audit Services Room 4E-1A 1100 Commerce Street Dallas, Texas 75242 (214) 767-8414	Arkansas, Louisiana, New Mexico, Oklahoma, Texas
Region VII and VIII	Mr. Vincent Imbriani Regional Inspector General for Audit Services 601 East 12th Street Room 284-A Kansas City, Missouri 64106 (816) 426-3591	Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, Wyoming
Region IX and X	Mr. Herbert Witt Regional Inspector General for Audit Services Federal Office Building Room 171 50 United Nations Plaza San Francisco, California 94102 (415) 556-5766	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Washington, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa and the Trust Territory of the Pacific Islands (the Republic of Palau), the Republic of the Marshall Islands and the Federated States of Micronesia

* PLEASE NOTE: The DHHS Office of Audit Services has begun a two-year consolidation process for all non-Federal audit activities. Effective with the scheduled dates of transfer listed below, all regional

non-Federal audit activities will be directed to the following address in Kansas City, Missouri:

Mr. Vincent Imbriani
DHHS Regional Inspector General for Audit Services
Room 284-A
601 East 12th Street
Kansas City, Missouri 64106
(816) 374-3591

Until the date of transfer, regions will continue to process non-Federal operations as listed above. As regions are transferred, entities involved (e.g., auditors and auditees) that have previously submitted reports will be advised of the change of address. The tentative schedule for the transfer of these actvities is shown below:

CONSOLIDATION SCHEDULE**

SCHEDULED DATE	REGION
May 1, 1990	Region III
July 1, 1990	Region II
October 1, 1990	Region VI
January 1, 1991	Region V
April 1, 1991	Region I
July 1, 1991	Region IV
January 1, 1992	Region IX/X

** Regions VII/VIII are already being processed by Kansas City.

Subpart S—Educational Assistance to Individuals from Disadvantaged Backgrounds

AUTHORITY: Sec. 215, Public Health Service Act, 58 Stat. 690, as amended by 63 Stat. 35 (42 U.S.C. 216); sec. 787, Public Health Service Act, 90 Stat. 2317, as amended by 95 Stat. 923 (42 U.S.C 295g-7).

SOURCE: 45 FR 73052, Nov. 4, 1980, unless otherwise noted.

§ 57.1801 To what grant program do these regulations apply?

These regulations apply to grants to eligible schools and entities under section 787 of the Public Health Service Act to assist individuals from disadvantaged backgrounds to enter and graduate from health professions schools and schools of allied health.

[47 FR 54438, Dec. 3, 1982]

§ 57.1802 Definitions

"Act" means the Public Health Service Act, as amended.

"Allied health professions" means professions which support, complement, or supplement the professional functions of physicians, dentists, and other health professionals in the delivery of health care to patients, or assist environmental engineers and other personnel in environmental health control and preventive medicine activities.

"Health professions" means the professions of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, podiatry, and public health.

"Health professions schools" means schools of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, podiatry, or public health as they are defined and accredited in sections 701(4) and 701(5) of the Act.

"National of the United States" (as defined in 8 U.S.C. 1101(a)(22), the Immigration and Nationality Act) means a citizen of the United States or a person who, though not a citizen of the United States, owes permanent allegiance to the United States.

"Nonprofit" as applied to any private entity means none of its net earnings may lawfully benefit any private shareholder or individual.

"School of allied health" means a public or non-profit private junior college, college, or university which provides or is accredited to provide a degree program in an allied health discipline and which meets all the criteria in section 701(10) of the Act.

"Secretary" means the Secretary of Health and Human Services or any officer or employee of the Department to whom the authority involved has been delegated.

"State" means in addition to the several States, only the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Somoa, or the Trust Territory of the Pacific Islands.

[45 FR 73052, Nov. 4, 1980, as amended at 47 FR 54438, Dec. 3, 1982]

§ 57.1803 Who is eligible to apply for a grant?

(a) Health professions schools, schools of allied health, and public or non-profit private health or educational entities which are located in a State and provide health or educational programs as one of their major functions may apply for a grant under section 787 of the Act.

(b) Applicants which offer degree programs in the allied health professions must meet relevant standards and guidelines established by appropriate:

(1) Accrediting bodies recognized by the Secretary of Education, or

(2) Federal or State agencies.

[45 FR 73052, Nov. 4, 1980, as amended at 47 FR 54438, Dec. 3, 1982]

§ 57.1804 Who is eligible for educational assistance?

To be eligible for educational assistance under this program, an individual must:

(a) Be a national of the United States or a permanent resident of the Trust Territory of the Pacific Islands or the Commonwealth of the Northern Mariana Islands, or a lawful permanent resident of the United States, Puerto Rico, the Virgin Islands, or Guam; and

(b) Come from a disadvantaged background. For this program, an individual from a disadvantaged background is one who:

(1) Comes from an environment that has inhibited the individual from obtaining the knowledge, skill, and abilities required to enroll in and graduate from a health professions school, or from a program providing education or training in an allied health profession; or

(2) Comes from a family with an annual income below a level based on low income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary for use in all health professions programs. The Secretary will periodically publish these income levels in the FEDERAL REGISTER.

[45 FR 73052, Nov. 4, 1980, as amended at 47 FR 54438, Dec. 3, 1982]

§ 57.1805 Program requirements.

(a) The Secretary will award grants to meet the cost of carrying out one or more of the following five purposes:

(1) To identify individuals from disadvantaged backgrounds for education in the health or allied health professions through the development and application of criteria for this purpose, and to recruit these individuals through motivational activities which may involve dissemination of information, exposure to role models and health facilities, and counseling.

(2) To provide individuals from disadvantaged backgrounds with preliminary education in a health professions school or school of allied health, or to refer them to institutions which provide it. Preliminary education in this context is education designed to assist individuals from disadvantaged backgrounds to complete the regular course of education in a health professions school or school of allied health. It may not include classes already taught as part of the regular course of education leading to a high school diploma or undergraduate degree. It may not be offered to students before they complete the junior year of high school.

(3) To provide information to individuals from disadvantaged backgrounds about financial aid available to students in health professions schools, or schools of allied health, or schools and entities which provide training necessary to qualify for enrollment in health professions schools or schools of allied health.

(4) To facilitate the entry of individuals from disadvantaged backgrounds into health professions schools or schools of allied health by engaging in activities which assist them to compete for admission, such as instruction designed to improve their performance on admission tests, and by assisting admission committees with the evaluation of disadvantaged applicants.

(5) To provide counseling or other retention services, such as tutorial assistance and assistance in adjusting to the environment of the school, which are designed to help individuals from disadvantaged backgrounds who are enrolled in health professions schools or schools of allied health to complete this education. Although it is allowable for a grantee to receive funding for only one of these purposes, its program must carry out at least two of them.

(b) The grantee must evaluate its program based on the plan provided in the grant application.

§ 57.1806 How will applications be evaluated?

After consulting with the National Advisory Council on Health Professions Education established under section 702 of the Act, the Secretary will decide which applications to approve by considering, among other factors:

(a) The degree to which the proposed project adequately provides for the requirements in § 57.1805;

(b) The number and types of individuals who can be expected to benefit from the project;

(c) The administrative and management ability of the applicant to carry out the proposed project in a cost-effective manner;

(d) The adequacy of the staff and faculty;

(e) The soundness of the budget; and

(f) The potential of the project to continue without further support under this program.

Within the limits of funds available, the Secretary will award grants to approved applicants with projects that will best promote the purposes of section 787 of the Act. Not less than 80 percent of the funds appropriated in any fiscal year shall be obligated for

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grants to institutions of higher education and not more than five percent of these funds may be obligated for grants having the primary purpose of informing individuals about the existence and general nature of health careers.

[45 FR 73052, Nov. 4, 1980, as amended at 47 FR 54438, Dec. 3, 1982]

§ 57.1807 How long does grant support last?

(a) The notice of grant award specifies the length of time the Secretary intends to support the project without requiring the project to recompete for funds. This period, called the project period, will not exceed three years.

(b) Generally, the grant will initially be funded for one year, and subsequent continuation awards will also be funded for one year at a time. A grantee must submit a separate application to have the support continued for each subsequent year. Decisions regarding continuation awards and the funding levels of these awards will be made after consideration of factors such as the grantee's progress and management practices, and the availability of funds. In all cases, continuation awards require a determination by the Secretary that continued funding is in the best interest of the Federal Government.

(c) Neither the approval of any application nor the award of any grant commits or obligates the Federal Government in any way to make any additional, supplemental, continuation or other award with respect to any approved application or portion of an approved application.

(d) Any balance of federally obligated grant funds remaining unobligated by the grantee at the end of a budget period may be carried forward to the next budget period, for use as prescribed by the Secretary, provided a continuation award is made. If at any time during a budget period it becomes apparent to the Secretary that the amount of Federal funds awarded and available to the grantee for that period, including any unobligated balance carried forward from prior periods, exceeds the grantee's needs for the period, the Secretary may adjust the amounts awarded by withdrawing the excess. A budget period is an interval of time (usually 12 months) into which the project period is divided for funding and reporting purposes.

§ 57.1808 For what purposes may grant funds be spent?

(a) A grantee shall only spend funds it receives under this subpart according to the approved application and budget, the authorizing legislation, terms and conditions of the grant award, applicable cost principles specified in Subpart Q of 45 CFR Part 74, and these regulations.

(b) The grantee may not spend grant funds to:

(1) Pay tuition or fees;

(2) Train program staff; or

(3) Retrain health professionals.

(c) The grantee may spend grant funds with the Secretary's prior approval to provide one round trip for each individual in the program between his or her residence and the training site if:

(1) The training site is beyond a reasonable commuting distance and requires the individual to establish a temporary new residence; and

(2) The educational assistance is not offered at a time when the individual would be at the training site anyway as a student in a regular course of education leading to a high school diploma, undergraduate degree, or degree in the health or allied health professions.

(d) The grantee may spend grant funds with the Secretary's prior approval to pay individuals in the program a *per diem* up to a maximum daily amount established by the Secretary when the grantee determines that:

(1) The conditions in both paragraphs (c) (1) and (2) of this section exist;

(2) No other Federal financial assistance program is authorized to provide this support; and

(3) The individual needs this support to participate in the program.

(e) The grantee may not spend grant funds for sectarian instruction or for any religious purpose.

§ 57.1809 What additional Department regulations apply to grantees?

Several other Department regulations apply to grantees. They include but are not limited to:

45 CFR Part 50, Subpart D—Public Health Service grant appeals procedure
45 CFR Part 16—Procedures of the Departmental Grant Appeals Board
45 CFR Part 46—Protection of human subjects
45 CFR Part 74—Administration of grants
45 CFR Part 75—Informal grant appeals procedures
45 CFR Part 80—Nondiscrimination under programs receiving Federal assistance through the Department of Health and Human Services effectuation of Title VI of the Civil Rights Act of 1964
45 CFR Part 81—Practice and procedure for hearings under Part 80 of this Title
45 CFR Part 83—Regulation for the administration and enforcement of Sections 799A and 845 of the Public Health Service Act [1]
45 CFR Part 84—Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance
45 CFR Part 86—Nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance
45 CFR Part 91—Nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance

[49 FR 38114, Sept. 27, 1984]

§ 57.1810 What other audit and inspection requirements apply to grantees?

Each grantee must, in addition to the requirements of 45 CFR Part 74, meet the requirements of section 705 of the Act concerning audit and inspection.

§ 57.1811 Additional conditions.

The Secretary may impose additional conditions on any grant award before or at the time of any award if he or she determines that these conditions are necessary to assure or protect the advancement of the approved activity, the interest of the public health, or the conservation of grant funds.

[1] Section 799A of the Public Health Service Act was redesignated as Section 704 by Pub. L. 94-484; Section 845 of the Public Health Service Act was redesignated as Section 855 by Pub. L. 94-63.

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